

Message Text

UNCLASSIFIED

PAGE 01 IAEA V 03383 01 OF 02 171039Z

21

ACTION SCI-06

INFO OCT-01 IO-14 ISO-00 AF-10 ARA-16 EA-11 EUR-25 NEA-10

RSC-01 ACDA-19 CIAE-00 INR-10 L-03 NSAE-00 NSC-07

FEA-02 AID-20 CEQ-02 EPA-04 EB-11 SWF-02 AGR-20 FPC-01

INT-08 DRC-01 /204 W

----- 091553

R 170855Z APR 74

FM USMISSION IAEA VIENNA

TO SECSTATE WASHDC 4229

INFO AEC GERMANTOWN

USMISSION USUN

USMISSION GENEVA

USMISSION OECD PARIS

USMISSION E C BRUSSELS

UNCLAS SECTION 1 OF 2 IAEA VIENNA 3383

STATE ALSO FOR T/IEP

E.O. 11652: N/A

TAGS: ENRG, AORG, AFIN, IAEA

SUBJECT: IAEA A&B COMMITTEE-NUCLEAR POWER IN
DEVELOPING COUNTRIES

REF: (A) IAEA VIENNA 2869

(B) STATE 68364 (NOTAL)

(C) STATE 69425 (NOTAL)

1. SUMMARY: A&B COMMITTEE GENERALLY ENDORSED AND
ACCORDED HIGH PRIORITY TO PROGRAM FOR 1975 RELATED TO
INTRODUCTION OF NUCLEAR POWER IN LDC'S, SUBJECT
TO SOME INSTRUCTIONS (EMANATING FROM FINANCE MINISTRIES
IN MOST CASES) THAT MORE OF PROGRAM INCREASE SHOULD
HAVE BEEN BALANCED BY REDUCTIONS IN OTHER PROGRAMS.
COMMITTEE ALSO NOTED DG STATEMENT THAT THERE WOULD BE
FURTHER REQUIREMENT FOR 1975 PROGRAM INCREASES (DETAILS
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 IAEA V 03383 01 OF 02 171039Z

TO BE SUBMITTED TO JUNE BOARD) IN RESPECT EXPANDED POWER

REACTOR SAFETY PROGRAM AND TRAINING FOR LDC'S PLANNING FIRST NUCLEAR POWER REACTOR, FOR WHICH HE WOULD ATTEMPT SEEK EXTRA-BUDGETARY SUPPORT. END SUMMARY.

2. DG'S STATEMENT TO APRIL 8 ADMINISTRATIVE AND BUDGETARY COMMITTEE MEETING BEGAN BY REGRETTING SHORT NOTICE ON CIRCULATION OF DRAFT PROGRAM EXPANSION (DOCUMENT GOV/COM.9/96), BUT THERE HAD BEEN NO OTHER WAY TO TREAT SITUATION, DISCUSSED AT FEBRUARY BOARD, OF RADICAL CHANGE IN WORLD ENERGY PICTURE. SINCE PROGRAM CONTAINED GOV/1656 DRAFTED, IT HAD BECOME CLEAR NEW OIL PRICES WOULD MEAN SUBSTANTIAL INCREASE IN NUCLEAR POWER USE, AND LDC'S COULD BE EXPECTED TO TURN EXTENSIVELY TO AGENCY FOR ADVICE AND ASSISTANCE IN PLANNING AND EXECUTING FIRST NUCLEAR POWER PROJECTS. PROGRAM EXPANSION AIMED AT DEVELOPING AGENCY CAPABILITY, REQUIREMENT FOR WHICH HAD BEEN FORESEEN ONLY IN NEXT DECADE, TO MEET SUCH REQUESTS. PROGRAM ALSO LOOKED TO NECESSITY FOR DEVELOPMENT OF COMPREHENSIVE AND INTERNATIONALLY-ACCEPTED SET OF CRITERIA FOR SAFETY AND ASSOCIATED RELIABILITY REQUIREMENTS FOR POWER REACTORS, SUPPLEMENTED BY DETAILED GUIDEBOOKS WHERE POSSIBLE AND PRACTICABLE, WHICH APPEARED INCREASINGLY NECESSARY TO INSURE PUBLIC ACCEPTANCE OF NUCLEAR POWER. IN THIS CONNECTION, PROGRAM OF WORK APPROVED BY APRIL 1-5 AD HOC COMMITTEE OF EXPERTS ON POWER REACTOR SAFETY WOULD BE PRESENTED FOR APPROVAL OF JUNE BOARD AND DG WOULD SEEK EXTRA-BUDGETARY FINANCING TO MAXIMUM POSSIBLE EXTENT FOR ADDITIONAL ACTIVITIES. ANTICIPATED COSTS FOR ADDITIONAL SAFETY ACTIVITIES IN 1974 WERE SMALL ENOUGH TO BE BORNE WITHIN 1974 BUDGET. ADDITIONAL 1975 COSTS WOULD BE ON ORDER OF \$500,000, OF WHICH ABOUT \$170,000 IN STAFF COSTS WAS INCLUDED IN GOV/COM.9/96. FULL IMPACT OF EXPANDED ACTIVITIES WOULD PROBABLY BE FELT ONLY ON 1976 REGULAR BUDGET. ALSO, THIS FIELD REQUIRED HIGH PRIORITY IN TA ACTIVITIES, WITH TRAINING PROGRAMS REVIEWED TO REDIRECT THEM TOWARD FILLING URGENT NEED FOR STAFF IN REGULATORY AUTHORITIES AND FOR NUCLEAR POWER PROGRAM MANAGERS IN LDC'S; HW WOULD INFORM JUNE BOARD IN DETAIL REGARDING EXPANSION OF TRAINING PROGRAM, MUCH OF WHICH COULD PROBABLY BE FUNDED FROM UNDP AND OTHER EXTRA-BUDGETARY

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 IAEA V 03383 01 OF 02 171039Z

SOURCES, AND EXPECTED FIRST MAJOR COURSES COULD BE ORGANIZED AROUND FALL OF 1975. FINALLY, IN HIS STATEMENT TO LAST GC, HE HAD PROMISED EXAMINATION OF ORGANIZATIONAL CONSEQUENCES FOR AGENCY OF TENDENCY IN NATIONAL NUCLEAR ENERGY AUTHORITIES TO SEPARATE PROMOTIONAL AND REGULATORY FUNCTIONS. EXTENT OF AGENCY INVOLVEMENT IN POWER REACTOR SAFETY ACTIVITIES (I.E., OF REGULATORY NATURE) STILL NOT RPT NOT CLEAR, AND HE PROPOSED OBTAIN REACTIONS OF

JUNE BOARD TO ADDITIONAL SAFETY PROGRAM, AND THEN REQUEST JUNE BOARD TO ADDITIONAL SAFETY PROGRAM, AND THEN REQUEST ADVICE ON THIS SCORE FROM HIGH LEVEL GROUP OF EXPERTS WHICH HE PROPOSED CONVENE FOLLOWING JUNE BOARD TO ADVISE HIM ON FULL RANGE OF AGENCY ACTIVITIES IN ENERGY FIELD.

3. IN GENERAL DISCUSSION OF BUDGET, MOST LDC'S AND NUMBER OF ADVANCED COUNTRIES WELCOMED EXPANSION OF THIS SEGMENT OF AGENCY PROGRAM AS MEETING PRESSING NEW LDC NEEDS, AND STRESSED NEED FOR IT TO BE ACCORDED HIGH PRIORITY. MOST ALSO WELCOMED DG'S INTENT TO CONVENE HIGH-LEVEL EXPERT GROUP TO ADVISE ON TOTAL AGENCY ROLE IN THIS AREA; SOME HOPED ALSO THAT THIS GROUP WOULD ASSIST IN RE-EVALUATION OF PROGRAM PRIORITIES IN LIGHT OF NEW SITUATION. INDONESIA REFERRED TO ITS RECENT REQUEST FOR SURVEY OF MARKET FOR NUCLEAR POWER (ALONG LINES 1972-3 MARKET SURVEY), AND NOTED THAT MEANS MUST BE AVAILABLE TO ASSIST IN THIS AND NUMEROUS OTHER REQUESTS RECEIVED BY SECRETARIAT. HUNGARY SUGGESTED THAT PROPOSED SAFETY AND RELIABILITY STANDARDS BE CIRCULATED TO ALL MEMBERS FOR COMMENT BEFORE ADOPTION BY AGENCY. USSR PRAISED SAFETY AND ENVIRONMENTAL PROTECTION ACTIVITIES, AND STATED SOVIETS "DO NOT OBJECT" TO BUDGET FOR 1975, PROGRAM FOR FOLLOWING YEARS, AND ADDITIONAL PROVISIONS FOR POWER PROGRAM. (COMMENT: IN VIEW OF PENNY-PINCHING LINE TOWARD PROGRAM EXPANSION IN IAEA AND OTHER ORGANIZATIONS IN PAST, THIS WAS TANTAMOUNT TO WARM SOVIET ENDORSEMENT; FRANKLY, WHILE MISSION HAD UNDERSTOOD FROM PRE-COMMITTEE CONSULTATION THAT SOVIETS WOULD MAKE NO OBJECTION TO THIS PROGRAM, WE EXPECTED SILENCE, NOT SUPPORT. WHILE FACT THAT A SOVIET NATIONAL IS DDG IN CHARGE OF BOTH DIVISIONS INVOLVED MAY HAVE HAD SOMETHING TO DO WITH THEIR ATTITUDE, MISSION FEELS THAT IT SHOWS PRIMARILY A CLEAR SIGNAL OF SOVIET READINESS TO COOPERATE -- INsofar AS THEY ARE EVER UNCLASSIFIED

UNCLASSIFIED

PAGE 04 IAEA V 03383 01 OF 02 171039Z

WILLING TO DO THIS -- IN EFFORT TO ACHIEVE INTERNATIONALLY-ACCEPTABLE SET OF POWER REACTOR SAFETY STANDARDS THROUGH MECHANISM OF IAEA. END COMMENT) US INDICATED SUPPORT OF PROPOSED PROGRAM, NOTING ESPECIALLY THt IT DIRECTLY ORIENTED TO NEW LDC ENERGY SITUATION; US ALSO WELCOMED DG INTENT SEEK EXTRA-BUDGETARY FINANCING FOR SAFETY PROGRAM, BUT INDICATED US PREPARED, IN VIEW OUR INTEREST IN AGENCY UNDERTAKING THESE ACTIVITIES, TO CONSIDER FURTHER ADDITION TO BUDGET IF FIRM COMMITMENT OF EXTRA-BUDGETARY SUPPORT COULD NOT BE AVAILABLE BY JUNE. OTHERS WHO INDICATED GENERAL SUPPORT OF PROGRAM EXPANSION INCLUDED: ARGENTINA, COSTA RICA, PHILIPPINES, SWEDEN.

4. SEVERAL COUNTRIES, HOWEVER, WHILE WELCOMING PROGRAM EXPANSION, CALLED FOR LARGER SHARE OF IT TO BE COVERED BY

CORRESPONDING REDUCTIONS IN OTHER AGENCY PROGRAMS THROUGH RE-ASSESSMENT OF PRIORITIES AND ELIMINATION OF ACTIVITIES OF LOWER PRIORITY. SOUTH AFRICA, AUSTRALIA, CANADA, ITALY, FRG AND UK TOOK THIS LINE FAIRLY GENTLY, SUGGESTING THAT SAC AND/OR DG'S PROPOSED HIGH-LEVEL EXPERTS COMMITTEE ON FUTURE AGENCY ACTIVITIES IN POWER AREA SHOULD SUPERVISE

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 IAEA V 03383 02 OF 02 171035Z

21

ACTION SCI-06

INFO OCT-01 IO-14 ISO-00 AF-10 ARA-16 EA-11 EUR-25 NEA-10

RSC-01 ACDA-19 CIAE-00 INR-10 L-03 NSAE-00 NSC-07

FEA-02 AID-20 CEQ-02 EPA-04 EB-11 SWF-02 AGR-20 INT-08

FPC-01 DRC-01 /204 W

----- 091523

R 170855Z APR 74

FM USMISSION IAEA VIENNA

TO SECSTATE WASHDC 4230

INFO AEC GERMANTOWN

USMISSION USUN

USMISSION GENEVA

USMISSION OECD PARIS

USMISSION EC BRUSSELS

UNCLAS SECTION 2 OF 2 IAEA VIENNA 3383

RE-ORIENTATION OF AGENCY'S PROGRAM PRIMARILY TOWARD NUCLEAR POWER (INCLUDING PROMOTION AND ASSISTANCE, SAFETY AND ENVIRONMENTAL PROTECTION, AND SAFEGUARDS) WITH CONSEQUENT SHIFT IN BUDGETARY AND PROGRAM PRIORITIES. INDIA, ALONE AMONG LDC'S SUGGESTED THAT AT LEAST SOME OF EXPANSIONS PROPOSED MIGHT WAIT A YEAR UNTIL SITUATION BECAME CLEARER. FRANCE FELT GROSS INCREASE IN AGENCY 1975 BUDGET SHOULD NOT EXCEED 10 PER CENT, INCLUDING BOTH PRICE AND PROGRAM INCREASES, AND THAT ANYTHING OVER THIS FIGURE SHOULD BE BORNE BY ELIMINATION OF EXISTING ACTIVITIES. COMMENT: IN VIRTUALLY ALL CASES, REPS OF COUNTRIES IN THIS GROUP INDICATED PRIVATELY THAT THEIR GENERAL APPROVAL OF PROGRAM CAME FROM INTERESTED SUBSTANTIVE OFFICES THEIR GOVERNMENTS,

BUT THAT THEIR COMMENTS RE: PROGRAM REDUCTIONS CAME
LARGELY FROM FINANCE MINISTRIES (IN ONE CASE, FINANCE
MINISTRY SENT ITS REP TO COMMITTEE MEETING) WHO STILL
SEEMED INTERESTED ONLY IN HOLDING DOWN BUDGET IRRESPECTIVE
OF NATURE OF ACTIVITY OR DEGREE OF INTEREST BY OTHER
AGENCIES OF THEIR GOVERNMENTS IN IT. MOST REPS PRIVATELY
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 IAEA V 03383 02 OF 02 171035Z

EXPRESSED PERSONAL AND TECHNICAL RECOGNITION THAT AGENCY
PROGRAM HAD TO EXPAND IN THIS MANNER, THAT ONGOING PROGRAMS
COULD NOT RPT NOT BE CUT BACK SUFFICIENTLY TO COVER EXPANSION
WITHOUT DAMAGE TO ACTIVITIES IN WHICH THEIR TECHNICAL
AGENCIES INTERESTED, AND THAT THEY HOPED COMMITTEE WOULD
TAKE NOTE OF THEIR EXECUTION THEIR INSTRUCTIONS AND
THEN ROLL CONSENSUS IN SUPPORT OF PROGRAM EXPANSION
OVER TOP OF THEM. COMMITTEE OBLIGED, AND JUNE BOARD WILL
PROBABLY DO SAME. END COMMENT.

5. US LED OFF DETAILED DISCUSSION OF NUCLEAR POWER AND
REACTORS PROGRAM WITH COMMENTS ALONG LINES REF B. UK AND
FRANCE CAUTIONED SECRETARIAT THAT IN IMPLEMENTING SUGGESTION
FOR DATA LIBRARY (PARA 10 OF GOV/COM. 9/96) MAXIMUM USE
SHOULD BE MADE OF EXISTING DATA PREPARED BY NATIONAL AND/OR
INTERNATIONAL BODIES AND DUPLICATION OF WORK SHOULD BE
AVOIDED. SECRETARIAT (CHERNILIN) REPLIED THAT NO
DUPLICATION WAS INTENDED; SECRETARIAT HAD RECEIVED TO DATE
23 REQUESTS FOR VARIOUS FORMS OF ASSISTANCE RELATING TO
NUCLEAR POWER PLANNING, MARKET SURVEYS AND ASSOCIATED
SAFETY ACTIVITIES, AND "DATA LIBRARY" WAS INTENDED ONLY
TO COLLECT EXTANT INFORMATION AS SOURCE UPON WHICH TO BASE
RESPONSES TO SUCH REQUESTS. FRANCE FELT THAT PROPOSED
URANIUM RESOURCES ACTIVITY EXPANSION WAS PREMATURE, AS
IT FELT THAT AVAILABILITY OF URANIUM WOULD NOT BECOME
MAJOR PROBLEM BEFORE 1985. WHILE ADMITTING NEED FOR
SMALL AND MEDIUM-SIZED POWER REACTORS (SMPR) IN LDC'S,
FRANCE ALSO DOUBTED USEFULNESS OF AGENCY ROLE IN THIS
AREA, POINTING OUT THAT VENDORS HAD OWN MARKET RESEARCH
ORGANIZATIONS. SECRETARIAT (CHERNILIN) NOTED THAT MOST
VENDORS IN ADVANCED COUNTRIES NOW PRETTY WELL OCCUPIED
WITH ORDERS FOR REACTORS IN 600-1000 MWE RANGE AND UP;
DEVELOPMENT OF SMPR WAS IMPORTANT TO LDC'S, SINCE
NEW OIL PRICES HAD GREATLY LOWERED ECONOMIC THRESHOLD
FOR SIZE OF NUCLEAR REACTOR, BUT SOMEONE MUST ACTIVELY
ENCOURAGE VENDORS TO DESIGN, PROVE AND OFFER FOR SALE A
REACTOR IN 200-400 MWE RANGE THROUGH DEMONSTRATION OF
POTENTIAL MARKET AND ASSISTANCE TO POTENTIAL CUSTOMERS.
FRG, WHILE STRESSING ITS GENERAL SUPPORT FOR SUBSTANCE OF
PROGRAM, HAD SEVERAL SPECIFIC QUESTIONS ABOUT DUTIES OF
ADDITIONAL POSITIONS REQUESTED, MOST OF WHICH ANSWERED
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 IAEA V 03383 02 OF 02 171035Z

SATISFACTORILY BY SECRETARIAT.

6. IN DISCUSSION NUCLEAR SAFETY AND ENVIRONMENTAL PROTECTION PROGRAM, US BEGAN WITH COMMENTS REFS B AND C. JAPAN STRESSED NEED TO SEEK MAXIMUM EXTRA-BUDGETARY SUPPORT FROM UNEP FRO PROPOSED ACTIVITIES. SEVERAL OTHERS, INCLUDING INDONESIA, AUSTRALIA, UK, US AND USSR, AT VARIOUS POINTS IN DISCUSSION, SUPPORTED SAME IDEA, AND DG ASSURED THAT CONTACT WITH UNEP WOULD BE PRESSED. FRANCE STATED ITS EXPERT AT AD HOC SAFETY COMMITTEE MEETING HAD DOUBTS WHETHER AGENCY WAS NOT EMBARKING ON TOO LARGE AND AMBITIOUS A PROGRAM. SPECIFICALLY, FRENCH FELT THAT WHILE TRANSPORTATION OF SPENT FUEL ELEMENTS AND WASTE MANAGEMENT WERE IMPORTANT PROBLEMS, IMMEDIATE ACTION WAS PROBABLY PREMATURE IN 1975.

7. ADDITIONAL POINT OF INTEREST WAS STATEMENT BY INDIA, IN REFERRING TO MAXIMUM USE OF EXTRA-BUDGETARY SUPPORT, THAT AGENCY SHOULD MAKE POINT OF SEEKING SUPPORT FROM ALL COUNTRIES IN FINANCIAL POSITION TO OFFER IT, AND IN PARTICULAR FROM NEW DEVELOPMENT FUNDS NOW IN PROCESS OF BEING ESTABLISHED (COMMENT: THIS WAS OBVIOUS REFERENCE TO PUBLISHED REFERENCES AT TIME OF COMMITTEE MEETING TO ESTABLISHMENT OF OPEC DEVELOPMENT FUND, AND WAS BOTH INTENDED BY INDIA AND TAKEN BY ALL OTHERS PRESENT AS SUCH. END COMMENT) AUSTRALIA AND CANADA BOTH SPECIFICALLY SUGGESTED THAT DG SEEK SUPPORT FROM OPEC FOR AGENCY PROGRAMS IN THIS AREA, NOTING OFT-QUOTED OPEC INTEREST IN DEVELOPMENT OF NUCLEAR POWER AS ALTERNATIVE ENERGY SOURCE, ESPECIALLY IN DEVELOPING WORLD.

9. NO DEL CHALLENGED CHAIRMAN'S FINAL CONSENSUS THAT COMMITTEE HAD SUPPORTED PROPOSED EXPANSION OF PROGRAM CONTAINED GOV/COM.9/96, SUBJECT TO CONDITION THAT DG LOOK INTO AVAILABILITY OF EXTRA-BUDGETARY SOURCES OF FINANCING FOR SOME ACTIVITIES BEFORE JUNE BOARD. MISSION FELT THAT DISCUSSION INDICATED BROAD BASE OF SUPPORT FOR SUBSTANCE OF PROPOSED PROGRAM EXPANSION, AND THAT PROFORMA OBJECTIONS TO BEARING THE REQUIRED ADDITIONAL COSTS WILL PROBABLY EVAPORATE AS WORD THAT THERE IS AN ENERGY CRISIS, AND THAT IAEA IS IN THE MIDDLE OF IT, UNCLASSIFIED

UNCLASSIFIED

PAGE 04 IAEA V 03383 02 OF 02 171035Z

PENETRATES TO FINANCE MINISTRY QUARTERS HANDLING ORGANIZATION CONTRIBUTIONS IN VARIOUS CAPITALS. MISSION

WILL REPORT DETAILS OF RESULTS OF AD HOC POWER REACTOR
SAFETY COMMITTEE, AND OF PROPOSED EXPANSION AND REDIRECTION
OF TA TRAINING ACTIVITIES, AS SOON AS THEY BECOME AVAILABLE
PRIOR TO JUNE BOARD.PORTER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NUCLEAR ENERGY, LESS DEVELOPED COUNTRIES, INTERNATIONAL ORGANIZATIONS, DEVELOPMENT PROGRAMS, FINANCIAL CONTRIBUTIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 17 APR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974IAEAV03383
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740088-0786
From: IAEA VIENNA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740437/aaaabhapp.tel
Line Count: 335
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION SCI
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 7
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: (A) IAEA VIENNA 2869
Review Action: RELEASED, APPROVED
Review Authority: WorrelSW
Review Comment: n/a
Review Content Flags:
Review Date: 04 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 SEP 2002 by BryanSD>; APPROVED <23 DEC 2002 by WorrelSW>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: IAEA A&B COMMITTEE-NUCLEAR POWER IN DEVELOPING COUNTRIES
TAGS: ENRG, AORG, AFIN, IAEA
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005